

# 1099-R Pension and Annuity Income

## Form 1099 Alert

All 1099-R entries in this section must be an exact match of the paper Form(s) 1099-R.

US 1099-R Distributions from Profit-Sharing, Retirement Plans, IRA's, etc.		
This 1099-R is for the: <input checked="" type="checkbox"/> Taxpayer <input type="checkbox"/> Spouse		
Recipient's name: _____		Recipient's SSN: <u>209-11-1111</u>
<input type="checkbox"/> Check if this 1099-R is handwritten, altered, or appears not to be a true 1099-R. <input type="checkbox"/> Corrected		
<input type="checkbox"/> Check if this is the taxpayer's address shown on the 1099-R or		
<input type="checkbox"/> Check and make changes to the U.S. address or foreign address below.		
U.S. address _____		
Zip code, city, and state _____		
Foreign street address _____		
Foreign city _____		
Foreign province / state _____		
Foreign Zip code _____		
Foreign country code _____		
Payer's ID: _____ Name code: _____	<b>1</b> Gross (RRB line 7) _____ 0.	Taxable amount not determined ..... <input type="checkbox"/>
Payer's name _____	<b>2</b> Taxable amount _____ 0.	Total distribution ... <input type="checkbox"/> Elect 10 averaging .. <input type="checkbox"/>
Payer's U.S. address _____ _____	<b>3</b> Capital gain in line 2 _____ 0.	<b>4</b> Federal tax withheld _____ 0.
Payer's Zip code, city, and state _____ _____	<b>5</b> Employee contributions, designated Roth contributions or insurance premiums _____ 0.	<b>6</b> Net unrealized appreciation in employer's securities _____ 0.
Payer's foreign address _____ _____	<b>7</b> Codes IRA /SEP / Simple . <input type="checkbox"/>	<b>8</b> Other _____ 0.0 % _____ 0.
Payer's foreign city _____	Check if disability and the taxpayer is disabled ... <input type="checkbox"/> Check to force Form 5329 ..... <input type="checkbox"/>	
Payer's foreign province / state _____	<b>9a</b> Percentage of total distribution _____ 0.0 %	<b>9b</b> Total employee contributions _____ 0.
Payer's Zip code and country code _____ _____		

Complete TaxWise® version of 1099-R using information from taxpayer's Form 1099-R or Form RRB-1099-R.

Box 2: Enter the amount shown on 1099-R. If zero or blank or the "taxable amount not determined" box is checked, see "Variations" on D-23. **DO NOT ENTER ANY AMOUNT IN BOX 2 EXCEPT WHAT IS ON THE 1099-R.**

Review box 4 and box 12 to ensure tax withheld was entered and is correct.

Check if Code 3 is in box 7—person on disability but under the minimum retirement age of the employer plan. This makes the amount go to Wages, line 7 on Form 1040, rather than the pension line.

See Other Taxes Tab, for details on Form 5329.

## 1099-R Dollar Value Boxes

**Box 2:** No amount is entered if the Simplified Method is used. Do not make an entry in Box 2. The entire Box 1 will be taxable unless an amount is calculated/entered in the Exclusion Worksheet or Simplified Method sections on the lower section of this screen.

**Box 3:** Capital Gain will be shown for a Charitable Gift Annuity (Code F). The difference between the Distribution shown in Box 1 and the capital gain shown in Box 3 will appear on Line 15 of the 1040. A schedule D must be completed to report the Capital gain. Describe as "FROM 1099-R". The Gain should be the amount from Box 3 and the gain is Long Term.

**Box 4:** Review Box 4 and Box 12 to ensure tax withheld was entered and is correct.

**Box 5:** If Box 5 is the same as Box 1, none of the distribution is taxable. Enter the amount from Box 5 in Line 5 of the Exclusion Worksheet. If the payer has calculated the taxable amount of the pension in Box 2, generally the difference between Boxes 1 and 2 will appear in Box 5. If Box 5 is the amount of health insurance premiums, (typically only on a CSA 1099-R) you must MANUALLY carry the amount to the Schedule A.

**Box 7:** Take care to enter the code shown on the 1099-R. See next page for codes..

**Box 9b:** This information may alternatively appear in Box 5 although you cannot tell if it was "employee contribution" or "health insurance premiums" unless it states so on the 1099-R. If an amount appears in this box and a taxable amount is not shown in Box 2, the taxable amount box "2" remains blank and red until you complete the "Simplified Method" section of this form, described below (this will also "get the red out").